

COMPANY REGISTRATION NUMBER 2504664

Ryearch Limited
Abbreviated Accounts
For
30 September 2004



BISHOP FLEMING
Chartered Accountants & Registered Auditors
Cobourg House
Mayflower Street
Plymouth
PL1 1LG

Ryearch Limited

Abbreviated Accounts

Year Ended 30 September 2004

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Ryearch Limited**Officers and Professional Advisers**

The Board of Directors

Mr P C Creaven
Mrs M W Creaven
Mr R J A Curtis
Mr A N Mitchell
Mr T I Petherick
Mrs C A Creaven

Company Secretary

Mrs M W Creaven

Registered Office

Creaven House
Huxley Close
Newnham Industrial Estate
Plympton
Plymouth
PL7 4JN

Auditors

Bishop Fleming
Chartered Accountants
& Registered Auditors
Cobourg House
Mayflower Street
Plymouth
PL1 1LG

Bankers

National Westminster Bank Plc
74-76 Ridgeway
Plympton
Plymouth
PL7 2AF

Barclays Bank Plc
50 Cornwall Street
Plymouth
PL1 1LU

Ryearch Limited

The Directors' Report

Year Ended 30 September 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2004.

Principal activities and review of the business

The principal activity of the company is that of general construction and civil engineering.

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	Year to 30 September 2004	Period from 1 July 2002 to 30 September 2003
	£	£
Proposed dividends on ordinary shares	<u>90,000</u>	<u>90,000</u>

The directors and their interests in the shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 September 2004	At 1 October 2003
Mr P C Creaven	33	33
Mrs M W Creaven	23	23
Mr R J A Curtis	—	—
Mr A N Mitchell	33	33
Mr T I Petherick	—	—
Mrs C A Creaven	<u>10</u>	<u>10</u>

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 8 to 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Ryearch Limited

The Directors' Report *(continued)*

Year Ended 30 September 2004

Auditors

A resolution to re-appoint Bishop Fleming as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:

Creaven House

Huxley Close

Newnham Industrial Estate

Plympton

Plymouth

PL7 4JN

Signed by order of the directors

Mrs M W Creaven
Company Secretary



Approved by the directors on 9/2/05:

Ryearch Limited**Independent Auditors' Report to the Company****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 5 to 15, together with the financial statements of the company for the year ended 30 September 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

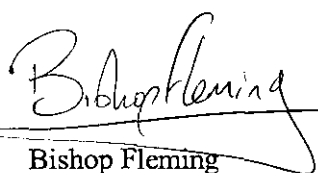
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 15 are properly prepared in accordance with those provisions.



Bishop Fleming
Chartered Accountants
& Registered Auditors
Cobourg House
Mayflower Street
Plymouth
PL1 1LG

11 February 2005

Ryearch Limited**Abbreviated Profit and Loss Account****Year Ended 30 September 2004**

	Note	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
Gross profit		927,121	1,054,545
Administrative expenses		835,726	741,194
Operating profit	2	91,395	313,351
Interest receivable		19,545	16,376
Profit on ordinary activities before taxation		110,940	329,727
Tax on profit on ordinary activities	5	27,207	83,112
Profit on ordinary activities after taxation		83,733	246,615
Dividends	6	90,000	90,000
(Loss)/retained profit for the financial year		(6,267)	156,615
Balance brought forward		722,439	565,824
Balance carried forward		716,172	722,439

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Ryearch Limited**Abbreviated Balance Sheet****30 September 2004**

	Note	2004 £	2003 £
Fixed assets			
Tangible assets	7	83,429	80,723
Current assets			
Stocks	8	289,887	63,996
Debtors	9	1,153,390	2,016,464
Cash at bank and in hand		1,126,681	561,843
		<u>2,569,958</u>	<u>2,642,303</u>
Creditors: Amounts falling due within one year	10	<u>1,935,825</u>	<u>1,997,903</u>
Net current assets		<u>634,133</u>	<u>644,400</u>
Total assets less current liabilities		<u>717,562</u>	<u>725,123</u>
Provisions for liabilities and charges			
Deferred taxation	11	1,290	2,584
		<u>716,272</u>	<u>722,539</u>
Capital and reserves			
Called-up equity share capital	14	100	100
Profit and loss account		716,172	722,439
Shareholders' funds	15	<u>716,272</u>	<u>722,539</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on the 9/10/05 and are signed on their behalf by:



Mr P C Creaven
Director

Ryearch Limited**Cash Flow Statement****Year Ended 30 September 2004**

	Note	Year to 30 Sep 04 £	£	Period from 1 Jul 02 to 30 Sep 03 £	£
Net cash inflow from operating activities	16		761,684		162,567
Returns on investments and servicing of finance					
Interest received		19,545		16,376	
Net cash inflow from returns on investments and servicing of finance			19,545		16,376
Taxation			(84,169)		(73,640)
Capital expenditure					
Payments to acquire tangible fixed assets		(44,132)		(50,177)	
Receipts from sale of fixed assets		1,910		6,170	
Net cash outflow from capital expenditure			(42,222)		(44,007)
Equity dividends paid			(90,000)		-
Increase in cash	17		564,838		61,296

The notes on pages 8 to 15 form part of these abbreviated accounts.

Ryearch Limited**Notes to the Abbreviated Accounts****Year Ended 30 September 2004**

1. Accounting policies**(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention.

(b) Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax. Long term contracts are included in turnover on the basis of the sales value of the work performed during the period by reference to the total sales value and stage of completion of these contracts.

(c) Fixed assets

All fixed assets are initially recorded at cost.

(d) Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Plant & Equipment	- 10%
Fixtures & Fittings	- 33%
Motor Vehicles	- 25%

(e) Work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Turnover on short term contracts is recognised once the contract is complete. Provisions for estimated losses on contracts are made in the period in which such losses are foreseen. Long term contract balances included in stocks comprise costs incurred on long term contracts, net of amounts transferred to cost of sales, after deducting foreseeable losses and payments on account. Amounts recoverable on contracts, being the amount by which recorded turnover is in excess of payments on account, is classified under debtors.

(f) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

(g) Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions to the scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. The pension cost charge represents contributions payable by the company to the funds and amounted to £9,365 (2003 : £9,327). Contributions totalling £nil (2003 : £nil) were owing at 30 September 2004.

Ryearch Limited**Notes to the Abbreviated Accounts****Year Ended 30 September 2004**

1. Accounting policies *(continued)***(h) Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

Operating profit is stated after charging/(crediting):

	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
Depreciation of owned fixed assets	41,426	42,730
Profit on disposal of fixed assets	(1,910)	(268)
Auditors' remuneration		
- as auditors	4,500	3,800
- for other services	11,370	12,800
Operating lease costs:		
Vehicles	<u>13,389</u>	<u>6,296</u>

Ryearch Limited**Notes to the Abbreviated Accounts****Year Ended 30 September 2004****3. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to:

	Year to 30 Sep 04	Period from 1 Jul 02 to 30 Sep 03
	No	No
Number of administrative staff	12	8
Number of construction staff	43	50
	<u>55</u>	<u>58</u>

The aggregate payroll costs of the above were:

	Year to 30 Sep 04	Period from 1 Jul 02 to 30 Sep 03
	£	£
Wages and salaries	1,649,806	1,804,009
Social security costs	169,333	171,608
Other pension costs	9,365	9,327
	<u>1,828,504</u>	<u>1,984,944</u>

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	Year to 30 Sep 04	Period from 1 Jul 02 to 30 Sep 03
	£	£
Emoluments receivable	<u>496,912</u>	<u>481,124</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	Year to 30 Sep 04	Period from 1 Jul 02 to 30 Sep 03
	No	No
Money purchase schemes	<u>2</u>	<u>2</u>

Ryearch Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2004

5. Taxation on ordinary activities

(a) Analysis of charge in the year

	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 30% (2003 - 30%)	28,501	84,169
Over/under provision in prior year	—	(379)
Total current tax	28,501	83,790
Deferred tax:		
Origination and reversal of timing differences	(1,294)	(678)
Tax on profit on ordinary activities	27,207	83,112

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2003 - 30%).

	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
Profit on ordinary activities before taxation	110,940	329,727
Profit on ordinary activities by rate of tax	33,282	98,918
Marginal relief	(16,500)	(16,587)
Capital allowances for year in excess of depreciation	2,470	758
Expenses not deductible for tax purposes	9,249	1,080
Over provision in previous year	—	(379)
Total current tax (note 5(a))	28,501	83,790

6. Dividends

The following dividends have been proposed in respect of the year:

	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
Proposed dividend on ordinary shares at £900 per share	90,000	90,000

Ryearch Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2004

7. Tangible fixed assets

	Plant & Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 1 October 2003	1,897	23,756	164,889	190,542
Additions	—	2,591	41,541	44,132
Disposals	—	—	(22,346)	(22,346)
At 30 September 2004	1,897	26,347	184,084	212,328
Depreciation				
At 1 October 2003	1,503	21,996	86,320	109,819
Charge for the year	192	2,239	38,995	41,426
On disposals	—	—	(22,346)	(22,346)
At 30 September 2004	1,695	24,235	102,969	128,899
Net book value				
At 30 September 2004	202	2,112	81,115	83,429
At 30 September 2003	394	1,760	78,569	80,723

8. Stocks

	2004 £	2003 £
Work in progress	758,939	566,992
Payments on account	(469,052)	(502,996)
	289,887	63,996

9. Debtors

	2004 £	2003 £
Trade debtors	568,492	714,697
Other debtors	584,898	1,301,767
	1,153,390	2,016,464

Others debtors includes an amount of £343,376 (2003: £1,151,071) relating to amounts recoverable on contracts.

Ryearch Limited**Notes to the Abbreviated Accounts****Year Ended 30 September 2004****10. Creditors: Amounts falling due within one year**

	2004 £	2003 £
Trade creditors	737,268	1,064,519
Corporation tax	28,501	84,169
Other taxation and social security	161,926	32,721
Dividends payable	90,000	90,000
Directors current accounts	22,283	11,692
Accruals and deferred income	895,847	714,802
	<u>1,935,825</u>	<u>1,997,903</u>

11. Deferred taxation

	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	2,584	3,262
Profit and loss account movement arising during the year	(1,294)	(678)
Provision carried forward	<u>1,290</u>	<u>2,584</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2004 £	2003 £
Excess of taxation allowances over depreciation on fixed assets	<u>1,290</u>	<u>2,584</u>
	<u>1,290</u>	<u>2,584</u>

12. Commitments under operating leases

At 30 September 2004 the company had annual commitments under non-cancellable operating leases as set out below.

	2004		2003	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 2 to 5 years	–	13,767	–	12,875
After more than 5 years	23,200	–	21,450	–
	<u>23,200</u>	<u>13,767</u>	<u>21,450</u>	<u>12,875</u>

Ryearch Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2004

13. Transactions with the directors

The following director's current account was overdrawn during the year ended 30 September 2004:

	A Mitchell
	£
Balance at 1 October 2003	nil
Balance at 30 September 2004	nil
Maximum overdrawn balance during the year	(250,000)

During the year the company occupied office accommodation jointly owned by M W Creaven (director), P A Creaven (husband of M W Creaven - director) and K E Creaven (wife of P C Creaven - director). The rental charge made to the company during the period was £22,325 (2003 - £28,807).

During the year the company invoiced the joint owners (as above) £24,685 for work carried out on the above property.

14. Share capital

Authorised share capital:

	2004	2003
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2004		2003
	No	£	No
	100	100	100
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>

15. Reconciliation of movements in shareholders' funds

	2004	2003
	£	£
Profit for the financial year	83,733	246,615
Dividends	(90,000)	(90,000)
	<u>(6,267)</u>	<u>156,615</u>
Opening shareholders' equity funds	<u>722,539</u>	<u>565,924</u>
Closing shareholders' equity funds	<u>716,272</u>	<u>722,539</u>

Ryearch Limited

Notes to the Abbreviated Accounts

Year Ended 30 September 2004

16. Reconciliation of operating profit to net cash inflow from operating activities

	Year to 30 Sep 04 £	Period from 1 Jul 02 to 30 Sep 03 £
Operating profit	91,395	313,351
Depreciation	41,426	42,730
Profit on disposal of fixed assets	(1,910)	(268)
Increase in stocks	(225,891)	(56,943)
Decrease/(increase) in debtors	863,074	(611,304)
(Decrease)/increase in creditors	(6,410)	475,001
Net cash inflow from operating activities	<u>761,684</u>	<u>162,567</u>

17. Reconciliation of net cash flow to movement in net funds

	2004 £	2003 £
Increase in cash in the period	<u>564,838</u>	<u>61,296</u>
Movement in net funds in the period	<u>564,838</u>	<u>61,296</u>
Net funds at 1 October 2003	<u>561,843</u>	<u>500,547</u>
Net funds at 30 September 2004	<u>1,126,681</u>	<u>561,843</u>

18. Analysis of changes in net funds

	At 1 Oct 2003 £	Cash flows £	At 30 Sep 2004 £
Net cash:			
Cash in hand and at bank	<u>561,843</u>	<u>564,838</u>	<u>1,126,681</u>
Net funds	<u>561,843</u>	<u>564,838</u>	<u>1,126,681</u>

19. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £77,830 (2003 - £Nil).